Central Warehousing Corporation is also building storage capacity of 1.66 lakh MT in A.P. under Seven Year Guarantee Scheme.

Another proposal for additional storage capacity of 15 lakh MT has been recently received from the Government of A.P.

Wheat at export price to bakers of Maharashtra

481. SHRI SATISH PRADHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government have received any proposal for allocation of wheat at export price rate @Rs. 415/- per quintal, to the bakers in Maharashtra to enable them to distribute Pav/Bread at reduced price to substantial number of poor people in urban and rural areas;

(b) if so, whether Government are considering their proposal; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) to (c) Yes, Sir. A proposal had been received from the Federation of Maharashtra Bakers Associations for release of 1 lakh M.T. of wheat per month for the next two years, through the State Government of Maharashtra at the export price of Rs. 415/- per quintal for producing bakery products at cheaper rates. At present, there is no scheme for providing wheat to bakeries for conversion to bakery products. The bakeries are free to purchase wheat under the Open Market Sale Scheme of wheat. The issue price of wheat under this scheme in the West Zone is Rs. 695/- per quintal. A discount of Rs. 40/- per quintal is also available for the wheat crop 2001-2002 of Punjab, Haryana and U.P. (some districts).

Revival of sugar industry

482. SHRI SANTOSH BAGRODIA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that sugar industry in the country is in trouble due to wrong policies, particularly, the monthly release mechanism of sugar;

(b) if so, the details thereof;

(c) what steps have been taken by Government to revive the sugar industry; and

(d) whether Government propose to exempt sugar from the Essential Commodities Act and also atleast the smaller units from the clutches of release mechanisms?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) and (b) In the recent past, the Government has brought major changes in the sugar policy. In this context, the major decision taken by the Government is to completely decontrol the sugar industry in a phased manner. The levy obligation, which was reduced from 40% to 30% *w.e.f.* 1.1.2000, has been further reduced to 15% *w.e.f.* 1.2.2001. On 13.11.2001, Government has decided to make freesale releases of sugar for each factory on quarterly basis instead of monthly basis i.e. each sugar factory would be given releases for three months at a time in advance. Government has also decided to allow sugar factories to sell additional freesale quota up to 10% of the quarterly quota, provided the proceeds from the sale of the additional quota are exclusively spent for payment of cane price dues.

(c) In order to improve the viability of sugar industry, the Government has taken the following major steps:

(i) The levy obligation has been reduced to 15% *w.e.f.* 1.2.2001.

(ii) The import duty on imported sugar has been raised to 60% *w.e.f.* 9.2.2000 alongwith the continuation of countervailing duty of Rs. 850 per MT to restrict the flow of imported sugar.

(iii) In order to promote export of sugar and to liquidate surplus stocks of sugar, the Government has taken the following mea-sures.

- The quantitative restrictions on export of sugar has been lifted.
- The requirement of registration of quantity to be exported with the Agricultural Processed Food Export Development Agency (APEDA) has been dispensed with.
- Sugar factories exporting sugar have been allowed exemption from levy on the quantity of sugar exported.
- The adjustment in freesale stocks of sugar factories exporting sugar, which was being made at the end of 12 months from the date of export, has been increased to 18 months.
- Duty Entitlement Pass Book (DEPB) benefit @5% on the *f.o.b.* value of export has been allowed on export of sugar.

(d) There is no proposal under consideration of the Government to exempt sugar from the purview of the Essential Commodities Act, 1955 or exempt the smaller units from the release mechanism.

Construction of FCI godowns at Jiribam

483. SHRI W. ANGOU SINGH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) by when construction work of FCI godown at Jiribam would be completed;

(b) the amount released so far for the purpose;

(c) whether it is a fact that weight bridge of FCI has not been constructed even now at Jiribam; and

(d) if so, how the weighing of foodgrains is done there?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) The construction work of godowns at Jiribam has been entrusted to the Central Public Works Department (CPWD) as a deposit work.

(b) Rs. 60.08 lacs have been deposited with the CPWD so far by FCI.

(c) and (d) Finalisation of tenders has been planned to synchronise the operationalisation of the weighbridge with that of the godown.

Supply of Kerosene through PDS

484. DR. ALLADI P. RAJKUMAR: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government propose to restrict supply of Kerosene through Public Distribution System to below the poverty line population only;

(b) if so, the reasons therefor; and

(c) the savings in subsidy as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) to (c) Kerosene Oil allocated to the States/UTs by the Government of India for distribution under the PDS is meant for cooking and illumination. It is the responsibility of the State Governments/UT Administrations concerned to distribute it among needy people in a judicious manner.